



Responsible Officer	Vice-President, University Services		
Contact Officer	Executive Officer, University Services Senior Deputy Vice-Chancellor Director Internal Audit		
Superseded Documents	Fraud and Corruption Prevention Policy, v2.0: Effective 17 January 2013		
Review	January 2016		
File Number	2016/08767		
Associated Documents	<ul style="list-style-type: none">• Procedure for Making and Handling Public Interest Disclosures• UNSW Code of Conduct• Staff Complaint Procedure• Conflict of Interest		
Version	Authorisation	Approval Date	Effective Date
2.1	Administrative update by acting Head of Governance.	18 February 2016	29 February 2016

1. Preamble

UNSW is committed to and promotes the highest standards of integrity and ethical behaviour. UNSW is responsible for administering significant levels of revenue, expenditure and assets, and these activities involve contact with a broad range of stakeholders and the public. Accordingly, there is a need to adopt strong fraud and corruption prevention policies and procedures.

This commitment should guide UNSW and its staff in the way it conducts itself and in the decisions it makes. In doing so, UNSW considers issues of fraud, corrupt conduct, maladministration and serious and substantial waste of public money to be very serious and such conduct will not be tolerated. Ensuring an organisation free from such conduct is critical to upholding the University's reputation and the responsible stewardship of public resources.

This Policy explains what is meant by fraud, corrupt conduct, maladministration and serious and substantial waste of public money, including examples and identification of high risk areas.

This Policy encourages the on-going development of a culture espousing the highest ethical and professional standards, encourages all staff to be vigilant in ensuring those standards are met, and provides guidance for action if it is suspected that those standards are being breached.

The University is committed to supporting staff who come forward to report conduct which does not meet the standards required by the University. Reports of wrongdoing will be taken seriously and addressed in accordance with the requirements of UNSW policies, procedures and the law.

This Policy must be read in conjunction with the UNSW *Procedure for Making and Handling Public Interest Disclosures*. In many cases, Staff who report breaches of this Policy should do so in accordance with that Procedure. Importantly, individuals who report conduct covered by this Policy may be entitled to certain legal protections under the *Public Interest Disclosures Act 1994*.

2. Purpose

The purpose of this policy is to:

- Emphasise UNSW's commitment to maintaining an organisation free from fraud; corrupt conduct, maladministration and serious and substantial waste of public money;
- Make a clear statement that such conduct will not be tolerated;
- Provide guidance about what constitutes fraud, corrupt conduct, maladministration and serious and substantial waste of public money;
- Detail the obligations and responsibilities of Staff (including particular responsibilities for particular staff, supervisors and managers) in relation to preventing fraud, corrupt conduct, maladministration and/or serious and substantial waste of public money;
- Outline the consequences for people who engage in such conduct;
- Encourage all Staff and Affiliates to report any incidents of conduct covered by this Policy.

This Policy should be read in conjunction with the *Procedure for making Public Interest Disclosures* and the *Staff Complaint Procedure* which set out the procedures applying to Staff who make reports or complaints in relation to conduct addressed in this Policy.

3. Scope

This Policy applies to all Staff and Affiliates of the University and its controlled entities. It applies to all work performed and duties carried out for the University, as well as related activities, such as work-related functions, travel, conferences and any other circumstances when a person is representing the University.

This Policy focuses on activities and/or conduct which could constitute fraud, corrupt conduct, maladministration or the serious and substantial waste of public money. Such conduct amounts to an extremely serious breach of the University's Code of Conduct and associated policies and procedures. However there are good reasons for having a policy which separately deals specifically with fraud, corrupt conduct, maladministration or the serious and substantial waste of public money. This conduct has potential to result in loss and/or wastage of public resources and the undermining of public trust and confidence. There is legislation in NSW governing these matters and the obligations of the University in this regard.

Conduct which does not fall within the scope of those definitions may nevertheless be considered unacceptable by the University and may amount to misconduct or serious misconduct. In this regard, this Policy must be read in conjunction with the University's Code of Conduct and other policies, procedures and standards regulating conduct, performance and behaviour.

4. Policy Statement

It is strictly prohibited for any Staff or Affiliates to engage in, participate in, cover up or in any way assist in, fraud, corrupt conduct, maladministration or serious and substantial waste of public money.

If any Staff member engages in, participates in, covers up or in any way assists in such conduct, the University may take disciplinary action, which may include termination of employment. Affiliates may have commensurate action taken against them, which may include termination or non-renewal of their appointment or contract.

If the University becomes aware of allegations of corruption, fraud, maladministration or serious and substantial waste of public money, the University may inquire into the allegations. The level of inquiry will depend on the seriousness of the issue. The University may also notify the Police, the Independent Commission against Corruption and/or other relevant government agencies as required under legislation.

To ensure appropriate expertise and adherence to investigation standards, the University will appoint individual(s) who are impartial and who possess appropriate skill, as part of the investigation process.

5. Identifying Corruption, Fraud, Maladministration and Serious and Substantial Waste of Public Money

5.1 Definition of terms in this Policy

Affiliates – means conjoint and visiting appointees, individual consultants and contractors, agency staff, emeriti, members of University committees and any other person appointed or engaged by the University (other than Staff), which may include those performing public official functions and volunteers.

Corrupt Conduct – has a specific definition as set out in the *Independent Commission Against Corruption Act 1988 (NSW)*. However, a working definition of corrupt conduct is the dishonest exercise of official functions by a public official. For example, this could include:

- The improper use of knowledge, power or position for personal gain or the advantage of others;
- Acting dishonestly or unfairly, or breaching public trust;
- A member of the public influencing a public official to use their position in a way that is dishonest, biased or breaches public trust.

Fraud – Fraud is a recognised subset of corruption. The Australian Standard on Fraud and Corruption Control defines fraud as:

“Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and whether or not deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position.”

Maladministration – is conduct that involves action or inaction of a serious nature that is contrary to law, unreasonable, unjust, oppressive or improperly discriminatory or based wholly or partly on improper motives.

Serious and substantial waste of public money – involves the uneconomical, inefficient or ineffective use of resources which results in loss/wastage of public funds/resources. In addressing any report of serious and substantial waste regard will be had to the nature and materiality of the waste.

Staff – means all employees of the University, including casual employees.

5.2 Possible Areas of Potential Fraud and Corruption

Fraud and corruption can potentially occur in different areas of the University. Some examples of conduct which could constitute fraud, corrupt conduct, maladministration or serious and substantial waste of public money are included below. This is not an exhaustive list and examples are not mutually exclusive to a particular area.

Area	Example
Misuse of University assets	<ul style="list-style-type: none"> • Use of UNSW funds or resources for personal use • Unauthorised sale of UNSW assets for personal gain
Travel	<ul style="list-style-type: none"> • Luxurious, indulgent or excessive expenditure • Inflated and/or faked expense claims
IT assets and security	<ul style="list-style-type: none"> • Misappropriation, or the unauthorised or unlawful destruction of data • Unauthorised or unlawful alteration of data • Sharing of usernames and passwords • Accepting bribes for admission of students or creating fraudulent transcripts for students
Regulatory compliance	<ul style="list-style-type: none"> • Providing false or misleading information • Failing to provide information where there is a legal obligation to do so
Personnel records / confidential information / privacy	<ul style="list-style-type: none"> • Use or disclosure of personal information for an improper purpose • Unauthorised or unlawful alteration of personal information
Salaries, wages, allowances	<ul style="list-style-type: none"> • Payments to phantom employees • Payment to an employee for tasks not performed • Payment to an employee for skills they do not have
Contract management	<ul style="list-style-type: none"> • Accepting bribes and/or kickbacks from suppliers • Negligent or deliberate mis-management of contracts which may include non-compliance with contract schedules or rates, misrepresentation of dates, description of services or identifies of contract providers • Incorrect charging for labour and material, misuse of assets or product substitution (substituting a product for one of lesser quality)
Tendering	<ul style="list-style-type: none"> • Failure to comply with tender procedures • Manipulating a tender process to achieve a desired outcome • Unauthorised or improper release of pricing or other tendering information • Accepting or conferring gifts and benefits contrary to the University's Gifts and Benefits Procedure • Non-compliance with the <i>Conflict of Interest Policy</i>
Cheques, credit cards, EFTPOS	<ul style="list-style-type: none"> • Making or using forged or falsified documents or signatures
Purchases and accounts payable	<ul style="list-style-type: none"> • Failure to comply with tender procedures • Entering into a commercial transaction where there is a conflict of interest (without complying with the <i>Conflict of Interest Policy</i>) • Invoice and purchase order splitting to circumvent procedures or delegation levels • False documentation in support of invoices • Creation and payments made to ghost suppliers
Conflicts of interest	<ul style="list-style-type: none"> • Failing to disclose an actual, perceived or potential conflict of interest contrary to the University's Conflict of Interest Policy • Failing to actively manage a disclosed conflict of interest • Allowing a conflict of interest to undermine your independence • Receiving a personal benefit for assisting a person or entity to gain work or business at the University

	<ul style="list-style-type: none"> • Appointing a person to a position due to personal relationships or motives other than merit • Failure to comply with the <i>Paid Outside Work Policy</i>
Academic / research	<ul style="list-style-type: none"> • Plagiarism or breach of intellectual property • Misapplying government grant monies • Accepting bribes for admission of students or creating fraudulent transcripts for students

5.3 Potential High Risk Areas and Activities

The following areas and activities may be high risk. Staff and affiliates working in these areas or performing these activities should use particular caution:

- Procurement of goods and services
- Recruitment
- Capital works projects, real estate management and maintenance
- IT system access, data management and contracting for IT supplies and services
- Financial and accounting activities
- Paid outside work
- Grants management
- Intellectual property management
- Payroll
- Student admission and records
- Management of external suppliers and service providers

6. Obligations and Responsibilities

In order to ensure that the University conducts itself and carries out its duties and activities free from fraud, corrupt conduct, maladministration and the serious and substantial waste of public money, Staff and Affiliates must ensure compliance with the following obligations and responsibilities.

6.1 Staff and Affiliates

All Staff and Affiliates must not:

- Engage in, participate in, cover up or in any way assist in (including by failing to act) any form of fraud, corrupt conduct, maladministration or serious and substantial waste of public money;
- Engage in, participate in, cover up or in any way assist in (including by failing to act) any behaviour or conduct which involves or may be perceived as victimisation, bullying, harassment or any other form of reprisal action against:
 - Another Staff member who makes a report of wrongdoing covered by this Policy.
 - Any person against whom allegations of wrongdoing have been made, if the results of the internal inquiry or investigation show they were not implicated in improper behaviour.

All Staff and Affiliates must:

- Comply with the internal controls, systems, relevant policies and directions as apply to them from time to time in relation to carrying out their duties or functions. Examples of these internal controls include policies and procedures, financial delegation and approval authority. (The objectives of such internal controls include prevention, deterrence and detection of the type of conduct prohibited by this Policy.)
- Familiarise themselves with this Policy and with the *Procedure for making Public Interest Disclosures* and comply with their obligations and duties under this Policy and the Procedure. Some affiliates may not fall under the scope of the Public Interest Disclosure Act.
- Report any incident they become aware of involving (or which they reasonably believe involves) fraud, corrupt conduct, maladministration or the serious and substantial waste of public money.

- Report any conduct that they reasonably believe constitutes detrimental or reprisal action against a person who has made a report of wrongdoing.

6.2 Additional Responsibilities of Managers and Supervisors

In addition to the general obligations outlined in 6.1 above, managers and supervisors have the following additional responsibilities.

Managers and supervisors must:

- Ensure that those reporting to them comply with the internal controls, systems, relevant policies and directions as apply to them from time to time in relation to carrying out their duties or functions.
- Treat seriously all reports of alleged fraud, corrupt conduct, maladministration or serious and substantial waste of public money and ensure that such reports are dealt with in accordance with the applicable Procedure
- Take such action as is required to prevent retaliation or retribution against a person who has made a report of fraud, corrupt conduct, maladministration or serious and substantial waste of public money.

6.3 Additional responsibilities of Finance Staff and Affiliates and Individuals with Financial Delegations

The Finance Division is responsible for establishing and maintaining effective systems of internal control, monitoring and reporting aimed at preventing, deterring and detecting fraud and corruption relating to the University's assets and resources.

Any person with financial delegation or responsibility for administering financial transactions is required to comply with relevant finance policies and procedures, financial systems requirements and other financial controls of the University.

6.4 Additional responsibilities of the Risk Management Unit and Internal Audit

The Risk Management Unit is responsible for facilitating fraud and corruption risk assessments as part of risk management activities throughout the University. These assessments are conducted in accordance with the University's Risk Management Framework.

Furthermore, Internal Audit performs risk identification (including fraud and corruption risk) as part of its internal planning and execution of internal audit reviews. Internal Audit reports these activities to the Audit Committee whose responsibilities in this regard are set out in Section 6.6 below.

6.5 Additional Responsibilities of the President and Vice-Chancellor

The President and Vice-Chancellor is the principal officer of the University and is responsible for establishing and maintaining a framework to minimise the University's exposure to fraud and corruption. The President and Vice-Chancellor also has obligations under the *Public Interest Disclosures Act 1994*.

The President and Vice-Chancellor has appointed the Senior Deputy Vice-Chancellor to be the champion of fraud and corruption prevention and to lead the implementation of this Policy, as well as a broader fraud and corruption prevention plan. The Senior Deputy Vice-Chancellor will implement appropriate actions to make staff aware of this Policy and their obligations under this Policy, including through staff communications and training.

6.6 Additional Responsibilities of the Audit Committee of the UNSW Council

The Audit Committee of Council reviews and monitors compliance with the fraud control plan of the University and of its controlled entities. Incidents of actual and suspected fraud and corruption are reported to the Audit Committee of Council by the Internal Audit Office and by Vice-President and Senior Deputy Vice-Chancellor in his / her role as PID Disclosures Co-ordinator. The Audit Committee receives and notes these reports, and monitors remedial actions where applicable.

7. Reporting

Staff who come forward and report incidents of wrongdoing are helping to promote integrity, accountability and good management within the University. Staff and Affiliates should report conduct which involves (or which they reasonably believe may involve) fraud, corrupt conduct, maladministration or serious and substantial waste of public money.

7.1 How to make a Report

A report should be made and dealt with strictly in accordance with the applicable procedure. A person who wishes to make a report or complaint should read carefully the following UNSW procedures:

- *Procedure for making and handling Public Interest Disclosures*; and
- *Staff Complaint Procedure*

In many cases, reports of conduct covered by this Policy will be covered by, and made and dealt with in accordance with, the *Procedure for making and handling Public Interest Disclosures*. Improper or unacceptable conduct not covered by the *Procedure for making Public Interest Disclosures* may be reported using the *Staff Complaints Procedure*.

If a Staff member believes that their complaint or report is covered by the *Procedure for making and handling Public Interest Disclosures* but they are unsure, they should discuss the matter with a Disclosures Officer listed in the *Procedure for making and handling Public Interest Disclosures*.

7.2 Public Interest Disclosures

The *Public Interest Disclosures Act 1994* provides legal protections for specified persons who make certain disclosures of wrong doing, including involving corrupt conduct (including fraud), maladministration and serious and substantial waste of public money. Reports of conduct or 'disclosures' made under the *Public Interest Disclosures Act 1994* are referred to as "Public Interest Disclosures".

The *Public Interest Disclosures Act 1994* provides protection against retaliation or retribution for these persons making a public interest disclosure and also imposes obligations on public bodies to ensure that such matters are properly handled and investigated.

Within the University, Public Interest Disclosures must be made in accordance with the UNSW *Procedure for Making and Handling Public Interest Disclosures* and the *Public Interest Disclosures Act 1994*. There are also external avenues for making Public Interest Disclosures provided for under the *Public Interest Disclosures Act 1994*.

UNSW will not tolerate any reprisal action against staff who report wrongdoing and is committed to ensuring that a person specified in the Act who makes a Public Interest Disclosure is not subjected to detrimental or reprisal action as a result of making the disclosure. Any such action may constitute misconduct or serious misconduct justifying serious disciplinary action including termination of employment.

7.3 Seeking Advice and Guidance

If an individual is unsure about their obligations and responsibilities under this Policy, they can seek guidance prior to making a decision or taking any action, from the following contact persons:

- Staff should contact their manager/supervisor.
- Affiliates should contact the University contact person designated under the contract or appointment letter.
- Members of University Committees should contact the chair of the Committee.
- Emeriti should contact the relevant Head of School or the Senior Deputy Vice-Chancellor.

In addition, all Staff and Affiliates can contact their Dean or Divisional Head, the Senior Deputy Vice-Chancellor, the Director, Internal Audit, the Vice-President, Human Resources or the Vice-President Finance & Operations.

8. Legal & Policy Framework

Legislation

Relevant legislation includes:

- Ombudsman Act 1974
- Public Interests Disclosures Act 1994
- Public Finance and Audit Act 1983
- Independent Commission Against Corruption Act 1988
- Crimes Act 1900

University Policy

University policies and procedures that deal with specific issues but relate in some way to fraud and corruption prevention should be read in conjunction with this policy. These policies and procedures include:

- Procedure for making and handling Public Interest Disclosures
- Staff Complaint Procedure
- UNSW Code of Conduct
- UNSW Research Code of Conduct
- Conflict of Interest Policy
- Register of Interests Policy for Members of Council and University Senior Management Positions
- Insider Trading Policy
- Policy on Employment or Engagement of Services Involving Personal or Other Significant Relationships
- Gifts and Benefits Procedure

9. Review and History

Review

This Policy will be reviewed every 3 years.

Acknowledgements

- Australian Standard on Fraud and Corruption Control (AS8001-2008), Standards Australia
- Fraud Control Guide, Audit Office of New South Wales
- NSW Ombudsman's Protected Disclosure Guidelines (April 2009)

History

Version	Authorised by	Approval Date	Effective Date	Sections modified
1.0	Vice-Chancellor	7 July 2009	1 August 2009	New Policy
2.0	President and Vice-Chancellor	10 January 2013	17 January 2013	Revised Policy
2.1	Administrative update by acting Head of Governance	18 February 2016	29 February 2016	Administrative updates to senior leadership positions.